

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 010015

17

ORIGIN OPIC-06

INFO OCT-01 ARA-06 ISO-00 EB-07 /020 R

DRAFTED BY OPIC/ID:TMANSBACH/OPIC/GC:CHUNT

APPROVED BY EB/IFD/OIA:RJSMITH

OPIC/F:PCOUNTS

EB/IFD/OIA:DSEBBING

ARA/BC/B:RKNICHOLSON

ARA/BC:RSDRISCOLL

ARA/EP:WSCLARKE

----- 105883

R 150141Z JAN 76

FM SECSTATE WASHDC

TO AMEMBASSY SANTIAGO

INFO AMEMBASSY LA PAZ

AMEMBASSY QUITO

AMEMBASSY BOGOTA

LIMITED OFFICIAL USE STATE 010015

E.O. 11652: N/A

TAGS: EFIN, EINV

SUBJECT: VISIT TOMAS LACKINGTON

REF: SANTIAGO 8615

1. OPIC PLEASED TO ARRANGE WASHINGTON MEETINGS FOR LACKINGTON FIRST WEEK IN MARCH. BELIEVE HE SHOULD ALSO SEE AGRIBUSINESS COUNCIL WHILE IN NEW YORK. OPIC COULD ALSO ARRANGE THIS IF DESIRED. PATRICIA COUNTS WILL CONTACT CHILEAN EMBASSY WITH SUGGESTIONS.

2. AS TO LACKINGTON INTEREST IN DISCUSSING ANDEAN PACT ARRANGEMENTS, SANTIAGO INDICATES CHILEAN ACCEPTANCE OF PROPOSED OPIC AGREEMENT SO THIS ASPECT OF MATTER WILL NOT HAVE TO BE PURSUED IN HIS VISIT. MEETINGS WITH INDUSTRY REPS
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 010015

WILL BE PARTICULARLY USEFUL IN ASSESSING IMPACT OF OTHER

ANDEAN PACT MEASURES ON OTHER COMPANY OPERATIONS AND INVESTMENT PLANS.

3. REGARDING THE REQUESTED SUMMARY OF ANDEAN INVESTMENT GUARANTY AGREEMENTS FOR OPIC PROGRAMS ALL PACT COUNTRIES HAVE SOME FORM OF AGREEMENT WITH THE USG, AND OPIC IS PREPARED TO OPERATE ITS PROGRAMS ON THE LIMITED BASIS OUTLINED IN THE OPIC MEMORANDUM ATTACHED TO A-7225 DATED 11/19/75.

4. FOR EMBASSY BACKGROUND ONLY, AGREEMENT STATUS IN THESE ANDEAN COUNTRIES CAN BE SUMMARIZED AS FOLLOWS: (A) COLOMBIA: A VERY GENERAL AGREEMENT NOT COVERING SUBROGATION OR ARBITRATION WAS SIGNED WITH COLOMBIA IN 1962 AND SUBSEQUENTLY RATIFIED. A MORE DETAILED AGREEMENT WAS SIGNED BY THE GOC IN 1964 BUT HAS NEVER BEEN APPROVED BY THE COLOMBIAN CONGRESS AND IS DEEMED BY OPIC TO BE NOT OPERATIVE.

(B) BOLIVIA: THE GOB HAS PROVIDED OPIC WITH A NOTE STATING THAT THE ANDEAN CODE APPLIES ONLY TO EQUITY INVESTMENTS IN PROJECTS DESIGNED TO SERVE THE ANDEAN MARKET, THE REMAINING BEING SUBJECT TO THE BOLIVIAN FOREIGN INVESTMENT LAW RATHER THAN THE CODE. SINCE THE BOLIVIAN FOREIGN INVESTMENT LAW RECOGNIZES THE OPERATION OF THE INVESTMENT GUARANTY PROGRAMS, OPIC PROGRAMS ARE CONSIDERED TOTALLY OPERATIVE FOR EQUITY AS WELL AS DEBT IN PROJECTS DESIGNED TO SERVE THE DOMESTIC BOLIVIAN MARKET AND THE NON-ANDEAN INTERNATIONAL MARKET. AN INTERPRETATION OF THIS NATURE BY OTHER ANDEAN COUNTRIES WOULD ALLOW US TO OPERATE THEREIN IN A SIMILAR MANNER WITH RESPECT TO EQUITY INVESTMENTS. DEBT COVERAGE REMAINS AVAILABLE ALL MARKETS.

(C) ECUADOR: IN INFORMAL CONVERSATIONS IN WASHINGTON, A GOE REP STATED THAT IN LIGHT OF THE ANDEAN CODE, THERE IS SOME QUESTION AS TO THE STATUS OF THE INVESTMENT GUARANTY AGREEMENT ALTHOUGH NO FORMAL CONFIRMATION, OR ANY OTHER INDICATION OF REPUDIATION, HAS BEEN RECEIVED BY OPIC. THE RECEIPT OF A FOREIGN GOVERNMENT APPROVAL FOR AN OPIC CONTRACT OR OTHER FORMAL REAFFIRMATION OF THE AGREEMENT WOULD BE SATISFACTORY FOR OPIC TO DEEM THE BILATERAL FULLY OPERATIVE FOR DEBT INVESTMENTS, ALTHOUGH FOR EQUITY WE WOULD NEED SOME SORT OF CLARIFICATION AS IN BOLIVIA.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 010015

5. OPERATION OF OPIC'S DIRECT LOAN PROGRAM DOES NOT REQUIRE THE EXISTENCE OF AN AGREEMENT WITH THE HOST COUNTRY AND HENCE IS THEORETICALLY AVAILABLE IN ALL FRIENDLY LESS DEVELOPED COUNTRIES. END FYI. DECONTROL FOLLOWING JANUARY 12, 1979. KISSINGER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE PROMOTION, VISITS, INVESTMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 15 JAN 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE010015
Document Source: CORE
Document Unique ID: 00
Drafter: TMANSBACH/OPIC/GC:CHUNT
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760015-0483
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760153/aaaabvah.tel
Line Count: 112
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN OPIC
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 SANTIAGO 8615
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 07 JUL 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <07 JUL 2004 by MartinML>; APPROVED <08 JUL 2004 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: VISIT TOMAS LACKINGTON
TAGS: EFIN, EINV, BTRA, CI, US, (LACKINGTON, TOMAS)
To: SANTIAGO
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006